

By: Johnson

S.B. No. 2090

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the authority of certain political subdivisions to  
3 issue anticipation notes and other obligations in the event of  
4 certain emergencies.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6 SECTION 1. Section 1431.015, Government Code, is amended by  
7 amending Subsections (a) and (b) and adding Subsections (d), (e),  
8 and (f) to read as follows:

9 (a) In this section, "emergency" means the occurrence of:

10 (1) widespread or severe damage, injury, or loss of  
11 life or property affecting an area in the jurisdiction of an issuer  
12 and resulting from a hurricane or tropical storm, including wind  
13 damage, fire damage, damage from wave action, or flood damage  
14 resulting from the hurricane or tropical storm;

15 (2) a severe weather-related event other than a  
16 hurricane or tropical storm; or

17 (3) an epidemic or pandemic.

18 (b) Notwithstanding any other provision of this chapter, an  
19 issuer [~~located within 70 miles of the Gulf of Mexico or of a bay or~~  
20 ~~inlet of the gulf~~] may authorize the issuance of an anticipation  
21 note or other obligation in the event of an emergency.

22 (d) If the authorization of an anticipation note or other  
23 obligation issued under this section provides that the issuer  
24 intends to refinance the note or other obligation with refunding

1 bonds, the note or obligation shall be treated as having the  
2 intended term and payment schedule of the refunding bonds for  
3 purposes of attorney general review and approval.

4 (e) Notwithstanding any other provision of law, a  
5 determination by the governing body that the expenses incurred in  
6 connection with the issuance of anticipation notes or other  
7 obligations under this section are necessary to address the  
8 emergency is not subject to review by the attorney general.

9 (f) Anticipation notes or other obligations to address the  
10 emergencies described by Subsection (a)(2) or (3) may only be  
11 delivered if the governor has:

12 (1) issued the order or proclamation described by  
13 Subsection (c)(1); or

14 (2) made the proclamation described by Subsection  
15 (c)(3).

16 SECTION 2. The changes in law made by this Act apply only to  
17 anticipation notes or other debt obligations issued on or after the  
18 effective date of this Act. Anticipation notes or other debt  
19 obligations issued before the effective date of this Act are  
20 governed by the law in effect at the time the anticipation notes or  
21 other debt obligations were issued, and that law is continued in  
22 effect for that purpose.

23 SECTION 3. The changes in law made by this Act apply to the  
24 issuance of anticipation notes or other debt obligations in  
25 response to a disaster declared or renewed before, on, or after the  
26 effective date of this Act.

27 SECTION 4. This Act takes effect immediately if it receives

1 a vote of two-thirds of all the members elected to each house, as  
2 provided by Section 39, Article III, Texas Constitution. If this  
3 Act does not receive the vote necessary for immediate effect, this  
4 Act takes effect September 1, 2021.